Facilities given to Industrial units in different zones

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Will the Minster of COMMERCE AND INDUSTRY be pleased to state :

(a) whether it is a fact that industrial units having special facilities have been set up by Government in free trade zones and export trading zones in order to promote export from the country;

(b) if so, whether special economic zones would be set up under new EXIM policy in which industrial units would be set up; and

(c) if so, what special facilities would be made available to such units set up in these economic zones and how these compare to those units set up in export processing zones and free trade zones?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) Yes, Sir. Export Processing Zones (EPZs)/ Special Economic Zones (SEZs) can be set up in the public, private, joint sector or by the State Governments. There is no proposal to set up any new SEZ by the Central Government. However, some of the existing EPZs, where suitable infrastructure already exists, are proposed to be converted into SEZs.

(c) The entitlements to units in Export Processing Zones (EPZs)/Special Economic Zones (SEZs) include exemption from Customs/Excise Duty on capital goods, raw materials etc., reimbursement of Central Sales Tax paid on purchases from outside the State, 100% foreign equity participation, facility to sell a part of production in the domestic market and an upgraded infrastructure.

SEZ units will have similar facilities as available to units in EPZs. SEZ units, however, would be required to achieve positive net foreign exchange earning only and no minimum export performance is prescribed. Further, these units would have a simplified customs and excise procedures.

†Original notice of the question was received in Hindi.